

99TH CONGRESS
2D SESSION

H. R. 4718

To amend title 18, United States Code, to provide additional penalties for fraud and related activities in connection with access devices and computers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 30, 1986

Mr. HUGHES (for himself, Mr. McCOLLUM, Mr. NELSON of Florida, Mr. MAZZOLI, Mr. MORRISON of Connecticut, Mr. FEIGHAN, Mr. SMITH of Florida, Mr. STAGGERS, Mr. LUNGREN, Mr. SHAW, and Mr. GEKAS) introduced the following bill; which was referred to the Committee on the Judiciary

A BILL

To amend title 18, United States Code, to provide additional penalties for fraud and related activities in connection with access devices and computers, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Computer Fraud and
5 Abuse Act of 1986".

1 SEC. 2. SECTION 1030 AMENDMENTS.

2 (a) MODIFICATION OF DEFINITION OF FINANCIAL IN-
3 STITUTION.—Section 1030(a)(2) of title 18, United States
4 Code, is amended—

5 (1) by striking out “knowingly” and inserting “in-
6 tentionally” in lieu thereof; and

7 (2) by striking out “as such terms are defined in
8 the Right to Financial Privacy Act of 1978 (12 U.S.C.
9 3401 et seq.),”.

10 (b) MODIFICATION OF EXISTING GOVERNMENT COM-
11 PUTERS OFFENSE.—Section 1030(a)(3) of title 18, United
12 States Code, is amended—

13 (1) by striking out “knowingly” and inserting “in-
14 tentionally” in lieu thereof;

15 (2) by striking out “, or having accessed” and all
16 that follows through “prevents authorized use of, such
17 computer”;

18 (3) by striking out “It is not an offense” and all
19 that follows through “use of the computer.”; and

20 (4) by striking out “if such computer is operated
21 for or on behalf of the Government of the United
22 States and such conduct affects such operation” and
23 inserting in lieu thereof “if such computer is exclusive-
24 ly for the use of the Government of the United States
25 or, in the case of a computer not exclusively for such
26 use, if such computer is used by or for the Government

1 of the United States and such conduct affects such
2 use".

3 (c) MODIFICATION OF AUTHORIZED ACCESS ASPECT
4 OF OFFENSES.—Paragraphs (1) and (2) of section 1030(a) of
5 title 18, United States Code, are each amended by striking
6 out “, or having accessed” and all that follows through “does
7 not extend” and inserting “or exceeds authorized access” in
8 lieu thereof.

9 (d) NEW OFFENSES.—Section 1030(a) of title 18,
10 United States Code, is amended by inserting after paragraph
11 (3) the following:

12 “(4) knowingly and with intent to defraud, access-
13 es a Federal interest computer without authorization,
14 or exceeds authorized access, and by means of such
15 conduct furthers the intended fraud and obtains any-
16 thing of value, unless the object of the fraud and the
17 thing obtained consists only of the use of the computer;

18 “(5) intentionally accesses a Federal interest com-
19 puter without authorization, and by means of one or
20 more instances of such conduct alters information in
21 that computer, or prevents authorized use of that com-
22 puter, and thereby causes loss to one or more others of
23 a value aggregating \$1,000 or more during any one
24 year period; or

1 “(6) knowingly and with intent to defraud traffics
2 (as defined in section 1029) in any password or similar
3 information through which a computer may be accessed
4 without authorization, if—

5 “(A) such trafficking affects interstate or for-
6 eign commerce; or

7 “(B) such computer is used by or for the
8 Government of the United States;”.

9 (e) ELIMINATION OF SECTION SPECIFIC CONSPIRACY
10 OFFENSE.—Section 1030(b) of title 18, United States Code,
11 is amended—

12 (1) by striking out “(1)”; and

13 (2) by striking out paragraph (2).

14 (f) PENALTY AMENDMENTS.—Section 1030 of title 18,
15 United States Code, is amended—

16 (1) by striking out “(b)(1)” and inserting “(b)” in
17 lieu thereof;

18 (2) by striking out “of not more than the greater
19 of \$10,000” and all that follows through “obtained by
20 the offense” in subsection (c)(1)(A) and inserting
21 “under this title” in lieu thereof;

22 (3) by striking out “of not more than the greater
23 of \$100,000” and all that follows through “obtained by
24 the offense” in subsection (c)(1)(B) and inserting
25 “under this title” in lieu thereof;

1 (4) by striking out "or (a)(3)" each place it ap-
2 pears in subsection (c)(2) and inserting ". (a)(3), or
3 (a)(6)" in lieu thereof;

4 (5) by striking out "of not more than the greater
5 of \$5,000" and all that follows through "created by
6 the offense" in subsection (c)(2)(A) and inserting
7 "under this title" in lieu thereof;

8 (6) by striking out "of not more than the greater
9 of \$10,000" and all that follows through "created by
10 the offense" in subsection (c)(2)(B) and inserting
11 "under this title" in lieu thereof;

12 (7) by striking out "not than" in subsection
13 (c)(2)(B) and inserting "not more than" in lieu thereof;

14 (8) by striking out the period at the end of subsec-
15 tion (c)(2)(B) and inserting "; and" in lieu thereof; and

16 (9) by adding at the end of subsection (c) the fol-
17 lowing:

18 "(3)(A) a fine under this title or imprisonment for
19 not more than five years, or both, in the case of an
20 offense under subsection (a)(4) or (a)(5) of this section
21 which does not occur after a conviction for another of-
22 fense under such subsection, or an attempt to commit
23 an offense punishable under this subparagraph; and

24 "(B) a fine under this title or imprisonment for
25 not more than ten years, or both, in the case of an of-

1 fense under subsection (a)(4) or (a)(5) of this section
2 which occurs after a conviction for another offense
3 under such subsection, or an attempt to commit an of-
4 fense punishable under this subparagraph.”.

5 (g) CONFORMING AMENDMENTS TO DEFINITIONS PRO-
6 VISION.—Section 1030(e) of title 18, United States Code, is
7 amended—

8 (1) by striking out the comma after “As used in
9 this section” and inserting a one-em dash in lieu there-
10 of;

11 (2) by aligning the remaining portion of the sub-
12 section so that it is cut in two ems and begins as an
13 indented paragraph, and inserting “(1)” before “the
14 term”;

15 (3) by striking out the period at the end and in-
16 serting a semicolon in lieu thereof; and

17 (4) by adding at the end thereof the following:

18 “(2) the term ‘Federal interest computer’ means a
19 computer—

20 “(A) exclusively for the use of a financial in-
21 stitution or the United States Government, or, in
22 the case of a computer not exclusively for such
23 use, used by or for a financial institution or the
24 United States Government and the conduct con-
25 stituting the offense affects such use; or

1 “(B) which is one of two or more computers
2 used in committing the offense, not all of which
3 are located in the same State;

4 “(3) the term ‘State’ includes the District of Co-
5 lumbia, the Commonwealth of Puerto Rico, and any
6 other possession or territory of the United States;

7 “(4) the term ‘financial institution’ means—

8 “(A) a bank with deposits insured by the
9 Federal Deposit Insurance Corporation;

10 “(B) the Federal Reserve or a member of the
11 Federal Reserve including any Federal Reserve
12 Bank;

13 “(C) an institution with accounts insured by
14 the Federal Savings and Loan Insurance Corpora-
15 tion;

16 “(D) a credit union with accounts insured by
17 the National Credit Union Administration;

18 “(E) a member of the Federal home loan
19 bank system and any home loan bank; and

20 “(F) any institution of the Farm Credit
21 System under the Farm Credit Act of 1971;

22 “(5) the term ‘financial record’ means information
23 derived from any record held by a financial institution
24 pertaining to a customer’s relationship with the finan-
25 cial institution; and

1 “(6) the term ‘exceeds authorized access’ means
2 to access a computer with authorization and to use
3 such access to obtain or alter information in the com-
4 puter that the accesser is not entitled so to obtain or
5 alter.”.

6 (h) LAW ENFORCEMENT AND INTELLIGENCE ACTIVI-
7 TY EXCEPTION.—Section 1030 of title 18, United States
8 Code, is amended by adding at the end the following new
9 subsection:

10 “(f) This section does not prohibit any lawfully author-
11 ized investigative, protective, or intelligence activity of a law
12 enforcement agency of the United States, a State, or a politi-
13 cal subdivision of a State, or of an intelligence agency of the
14 United States.”.

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